

MILITARY LEAVE PROCESS

Military Leave Process provides directions in accordance with employee rights and benefits under the following:

1. [Civil Service Commission Rule 2-14](#): "Rights of Employees Absent Due to Service in the Uniformed Services"
2. [Civil Service Regulation 2.04](#): "Military Leaves of Absence and Return to Work: Basic Rights"

General Information: A military leave of absence is without pay (see Regulation 2.04.). Continuous state service credit is allowed for the period of training duty and emergency active duty based upon submission of documentation that military service was performed.

Employees may use annual leave, banked leave, or compensatory time credits for any military service. Otherwise, time is entered as **8 NPML hours** for days absent from regularly scheduled work for service in the uniformed services. A "**state work day**" is considered to be an 8-hour work day regardless of what the employee would have been scheduled to **work** if not on a military leave.

Use of NOPY for employee's time coding and the 10ML/11ML coding for gross pay adjustments was initiated to improve positive payroll and accounting procedures. It was also in response to an IRS ruling that the employment relationship between the employee and the company is terminated when the worker is called for military service with the U.S. government or state National Guard. The payments made by the company while they are in military service are not "wages" for services performed in "employment" for the company.

Military Documentation of Performed Uniformed Service: The official documents to verify absence from regularly scheduled workdays for service in the uniformed services are a Military Leave & Earnings Statement (LES) and any DD-214, Separation or Discharge from Active Duty.

Military Leave & Earnings Statements (LES): To serve as acceptable documentation of military service, an LES must clearly show all of the following:

1. **From the Top Line:** EMPLOYEE NAME, GRADE, YRS SERV.
2. **Entitlements Type:** Basic Pay & Dollar Amount, i.e. \$3201.60.
3. **Remarks:** The lines that state what type of duty was performed and all dates that the Basic Pay amount covers.

Military Orders: Unless precluded by military necessity, an employee must provide the employer prior oral or written notice before taking a leave of absence for military duty. Employees should provide as much notice as possible. Failure to provide notice could result in a denial of protections under USERRA.

When an employee submits military orders, it (1) provides notice to the employer of possible absence from work and (2) informs the financial offices whether the military service is training duty, emergency active duty in or in support of soldiers in a combat zone, or another type of active duty military service not qualifying under the "combat zone" eligibility for social security/Medicare tax exemption. This is important when an employee is eligible for supplemental pay.

Orders can be cancelled, postponed, amended, or extended. Orders do not provide verification that the individual actually performed that military service. Orders are an "intent" or a "notice" of possible military service. It is the employee's responsibility to provide documentation that military duty was actually served.

Supplemental Pay: The state will pay a benefit equal to the difference between an eligible employee's state base wage and the basic military pay received for each regularly scheduled workday. An employee is not entitled to supplemental pay (1) if military service is unpaid, (2) if military pay exceeds state pay, or (3) for any period of leave before or after military duty (decompression). Shift differentials, holiday overtime, flex schedules, and any other special allowances outside the definition of a standard **"state work day"** are not to be considered when performing calculations for supplemental pay. The comparison of state to military is the state work day of one 8-hour day to the military day of one 24-hour period.

1. An eligible employee receives a pay differential for each day absent from scheduled employment for uniformed service. A pay differential equals the difference between the employee's (1) gross basic pay in the uniformed service and (2) gross base wage in the classified service.
2. Supplemental pay for training duty is payable for up to 15 (20 under MSPTA collective bargaining agreement) scheduled workdays in any fiscal year. Employees who perform intermittent active or inactive training duty will receive pay differentials after the state pay period that includes the end date of the LES is released through payroll processing. MCSC Office of Compensation must verify payroll processing to accurately calculate any supplemental pay.
3. Supplemental pay is payable for any eligible period of emergency or full-time active duty service. Employees on active duty deployments will receive pay differentials after the state pay period that includes the end date of the LES is released through payroll processing.
4. If an employee is eligible for supplemental pay and benefits, the employee remains in active status.
5. If an employee's active duty orders are amended or extended, the new orders should be submitted to MCSC Office of Compliance. No supplemental pay will be processed if the military LES is dated after the projected discharge date of the most recent orders. If it is discovered that supplemental pay was processed after the employee's discharge date, a recovery of overpayment will be processed when the employee returns to work.
6. When supplemental pay is processed, it appears in the employee's pay warrant as a gross pay adjustment coded as: (1) 11ML for active duty in or in support of soldiers in a combat zone or active duty training or (2) 10ML for active duty military service not qualifying under the "combat zone" eligibility for social security/Medicare tax exemption [Border Patrol, Katrina Assistance, state national guard emergency call-up, etc.] or inactive duty training.

Accruals:

1. Accruals are credited only for the first 15 days of eligible training duty under rule 2-14.2(a). Accruals will be adjusted in any pay period for any hours exceeding the FY15 training duty day limit.
2. Accruals are credited only for the first 30 consecutive calendar days of eligible emergency active duty under rule 2-14.2(b). Multiple short term active duty assignments in a fiscal year will be considered as if it was one consecutive assignment.
3. An employee eligible for extended supplemental pay under rule 2-14.2(b) on October 1 receives the appropriate personal leave grant upon return to work.

Benefits: USERRA entitles employees to continue health, dental, and vision insurances for the first 30 days of **any** military service. An employee on full-time emergency active duty receives continued health, dental, and vision benefits, except during any decompression time. Long-term disability is discontinued for extended military leaves.

Processing Schedule for Supplemental Pay (Pay Differential) for State Employees on full-time Active Duty:

In accordance with the Civil Service Commission policy that supplemental pay is processed after the period end date on the LES and after the state pay period in which that date occurs, tentative supplemental pay processing schedule for 2008 is as follows:

<u>LES dated:</u>	<u>Processed PPE:</u>	<u>Received in Pay Warrant of:</u>
12/16 - 12/31	01/12/08	01/24/08
1/1/ - 1/15	01/26/08	02/07/08
1/16 - 1/31	02/09/08	02/21/08
2/1 - 2/15	02/23/08	03/06/08
2/16 - 2/29	03/08/08	03/20/08
3/1 - 3/15	03/22/08	04/03/08
NO PROCESSING	04/05/08	04/17/08
3/16 - 3/31	04/19/08	05/01/08
4/1 - 4/15	05/03/08	05/15/08
4/16 - 4/30	05/17/08	05/29/08
5/1 - 5/15	05/31/08	06/12/08
5/16 - 5/31	06/14/08	06/26/08
6/1 - 6/15	06/28/08	07/10/08
6/16 - 6/30	07/12/08	07/24/08
7/1 - 7/15	07/26/08	08/07/08
7/16 - 7/31	08/09/08	08/21/08
8/1 - 8/15	08/23/08	09/04/08
8/16 - 8/31	09/06/08	09/18/08
NO PROCESSING	09/20/08	10/02/08
9/1 - 9/15	10/04/08	10/16/08
9/16 - 9/30	10/18/08	10/30/08
10/1 - 10/15	11/01/08	11/13/08
10/16 - 10/31	11/15/08	11/26/08
11/1 - 11/15	11/29/08	12/11/08
11/16 - 11/30	12/13/08	12/23/08
12/1 - 12/15	12/27/08	01/08/09

Questions regarding Military Leave Processing for State of Michigan employees should be directed to MDCS-MilitaryLeave@michigan.gov.